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REDUCING CHILDHOOD POVERTY COMPARATIVE RESEARCH

Research and Library Service

This paper provides comparative information on the approaches and measures which have been taken to reduce childhood poverty in other EU member states and also further afield, including the United States. Much of the comparative material in this paper is drawn from the work of the UNICEF Innocenti Research Centre. The UK focused material is drawn from the work of the Joseph Rowntree Foundation (JRF), which regularly produces research publications on the themes of poverty and social exclusion.

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SUMMARY OF KEY POINTS

Definitions of poverty are complex and important as they shape levels of poverty and policy makers responses to these.

Household income is used to determine poverty in the UK, the EU and more widely. It has been argued that income as a sole indicator of poverty is wholly inadequate.

Within 'rich countries', levels of poverty determined by median household income range from 2.4 percent in Denmark to 27.7 percent in the Mexico.

Compared with other OECD countries, in the 1990s, the UK had the greatest percentage decrease in the level of child poverty. However, it achieved this from a relatively high starting point and research indicates that progress in reducing child poverty may now have stalled.

In broad terms the principal measures to reduce child poverty can be divided into three categories:

- 1. Policies to alter income levels directly through the tax and benefit system. The aim is to provide direct financial support to families, recognising the extra costs of children.
- 2. Policies to promote paid work. The aim is to ensure that parents have the help and incentives they need to find work. Paid work is seen as the best long-term route to financial independence for families.
- 3. Measures to tackle long-term disadvantage. Some examples are: policies which attempt to reduce the number of teenage pregnancies; provision of support for parents of children aged under 5 in disadvantaged areas; attempts to raise basic standards of literacy and numeracy and tackle school truancy and exclusions.

Taxes and government transfers have a significant impact on 'market' poverty rates. However, comparative research shows that the relationship between government spending and poverty rates is complex. A number of reports, however, concur that progessive universal support rather than means-tested benefits have greater potential to impact on child poverty.

Children in lone parent families make up a significant proportion of all children living in poverty in the UK. Welfare to work programmes targeted at lone parents, therefore, are key to helping these children out of poverty.

Adequate levels of child-care are necessary to ensure that lone parents in particular can access the labour market. Quality childcare is also increasingly seen as the most effective way of breaking the cycle of poverty resulting from educational under achievement.

Health inequalities also continue the cycle of poverty and the EU is increasingly focused on working to develop a shared understanding across member states of these and the most effective ways to reduce them.

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INTRODUCTION

This paper provides comparative information on the approaches and measures which have been taken to reduce child poverty in other EU member states and also further afield, including the United States. Much of the comparative material in this paper is drawn from the work of the UNICEF Innocenti Research Centre. The UK focused material is drawn from the work of the Joseph Rowntree Foundation (JRF), which regularly produces research publications on the themes of poverty and social exclusion.

Definition of poverty

Reaching and agreeing a definition of poverty has always proved to be a difficult and controversial issue for governments, academics, researchers and the general public.

Many would agree however, that poverty can be described in terms of:

- Material deprivation
- Economic position, or
- Social relationships

For the purposes of statistical measurement and monitoring a more precise definition is needed. The definition and measurement of poverty, however, is complex and important as it will shape how policy makers perceive poverty and design responses for its reduction. Traditionally the UK government measured and defined poverty in terms of low household income using a poverty line set as a proportion of mean income. In 1998, median household income was adopted by the European Union as the key income threshold. Typically a threshold of less than 60 percent of national median equivalised household income has been the definition and measure of poverty used by European bodies since then. The OECD, however, uses a 50% median threshold and this is reflected in the UNICEF publications which look at poverty in OECD countries. Commenting on progress in defining and measuring poverty throughout OECD, one such report noted that:

In Canada, the all-party promise made 15 years ago to *"seek to eliminate child poverty by the year 2000"* has run into the sands of definitional debate and has not been followed by agreed yardsticks and clear targets . In the United States, where there has been an official definition of poverty since the 1960s, there is today little consensus on its merits, much debate over how it should be revised, and no official target for its reduction. In Australia and New Zealand the first steps are only now being taken towards defining and monitoring the problem.

Other countries have made considerable progress. The Republic of Ireland has pioneered a combination of relative income measures and direct monitoring of material deprivation. Similarly, the United Kingdom has established a range of indicators to monitor changes in children's health and nutrition, clothing and housing, and participation in social activities. In the European Union as a whole there is broad agreement that low income should be defined as 'below 60 per cent of median income' and that this measure should be updated annually. The EU also tends to see income poverty as but one aspect of the broader problem of social exclusion – to be monitored by a range of national indicators.¹

Child Poverty is obviously clearly linked to the distribution of resources within a household and in some analyses the term 'child poverty' is explicitly used as short-hand for 'children living with poor parents'.² An overview of the National Action Plans on Social Exclusion, which EU Member States are required to produce, however, points out that:

In previous analyses of the National Action Plans on Social Inclusion, Eurochild has called for the European Commission to develop "a new Primary Indicator that is specific to children and young people and informed by their perceptions of need". We consider that measuring family household income as the sole indicator of child poverty is wholly inadequate. There are many circumstances where family income may not benefit the child – for example, in cases of child maltreatment or domestic violence. It is also the case that income is just one aspect of poverty and exclusion.³

CHILDHOOD POVERTY IN 'RICH COUNTRIES'

Figure 1 below places 26 countries in a child poverty 'league table'. The 26 countries are all members of the $OECD^4$ and '....as most have achieved nearuniversal basic health care and education for children, its membership constitutes a convenient group for the analysis of problems facing the children of economically developed societies'. They are considered, therefore, to be 'Rich Countries'. Figure 1 shows that, out of the countries listed, Denmark and Finland had the lowest proportions of children in poverty – at 2.4 and 2.8 per cent respectively. The countries with the worst levels of child poverty were Mexico and the US at 27.7 per cent and 21.9 per cent respectively. The Nordic countries, the smallest in terms of population had the lowest levels of child poverty whereas countries with large population sizes, such as Australia, Canada and the US were all at the other end of the league table.

¹ UNICEF, 'Child Poverty in Rich Countries, 2005', *Innocenti Report Card No. 6*, UNICEF Innocenti Research Centre, 2005 p8

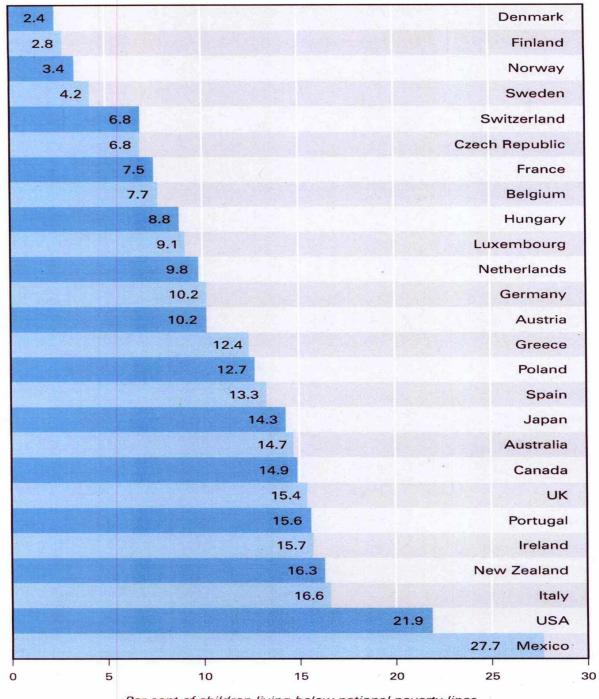
² Sutherland H (2001) "Reducing Child Poverty in Europe: What can Static Microsimulation Models tell us?" EUROMOD Working Paper No. EM5/01 http://www.econ.cam.ac.uk/dae/mu/publications/em501.pdf accessed October 2007 p3

³ Ending Child Poverty within the EU? A review of the 2006-08 national reports on strategies for social protection and social inclusion 2nd Edition Updated in May 2007 to include a review of all 27 Member States p6

http://www.eurochild.org/fileadmin/user_upload/files/NAPs_report_2006_final.pdf

⁴ The OECD, founded in 1960, is the international organization of the industrialized, marketeconomy countries. <u>www.oecd.org</u>

Figure 1 Percentage of children living in 'relative' poverty, defined as households with income below 50 per cent of the national median income.



Per cent of children living below national poverty lines

Source: UNICEF, 'Child Poverty in Rich Countries, 2005', Innocenti Report Card No. 6, UNICEF Innocenti Research Centre, 2005 Figure 1^5

⁵ <u>http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=371</u>

Figure 2 below shows the rise or fall in child poverty during the 1990s in a number of OECD countries. From the table it can be seen that in this period the UK leads the rest of the countries in its overall reduction in the level of child poverty. It is worthy of note that Norway, one of the countries with the lowest levels of child poverty is *continuing* to reduce its level of child poverty.

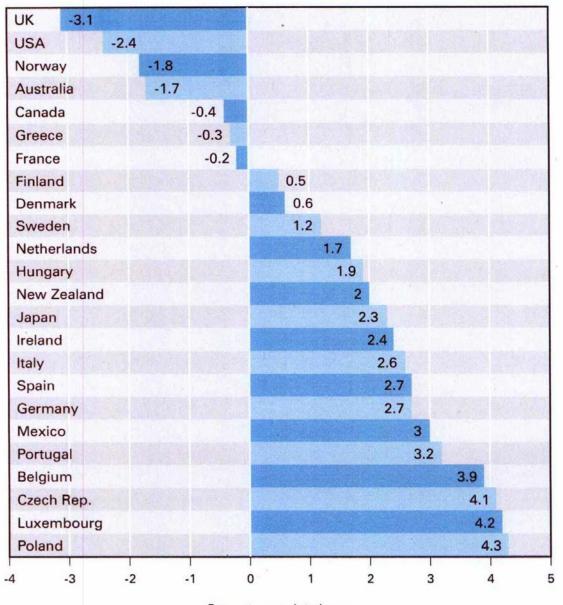


Figure 2 Percentage Child Poverty Change 1990s

Percentage point change

Source: UNICEF, 'Child Poverty in Rich Countries, 2005', Innocenti Report Card No. 6, UNICEF Innocenti Research Centre, 2005 Figure 2⁶

⁶ <u>http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=371</u>

When considering the figures contained in Figure 2, it should be noted that the United Kingdom (along with Australia and the USA) began the period to which the data relate with what is described by UNICEF as '...*child poverty rates that offered much scope for improvement.*⁷ It is also worth noting that research conducted by the New Policy Institute and published in late 2007 in a report by the Joseph Rowntree Foundation indicates that across the UK:

The period of slow but steady progress in reducing poverty has now come to an end, arguably around three or four years ago. In particular, overall poverty levels in 2005/06 were the same as they were in 2002/03. Child poverty in 2005/06 was still 500,000 higher than the target set for 2004/05.⁸

MEASURES TO REDUCE CHILD POVERTY

In broad terms the principal measures to reduce child poverty can be divided into three categories:⁹

1. Policies to alter income levels directly through the tax and benefit system. The aim is to provide direct financial support to families, recognising the extra costs of children.

2. Policies to promote paid work. The aim is to ensure that parents have the help and incentives they need to find work. Paid work is seen as the best long-term route to financial independence for families.

3. Measures to tackle long-term disadvantage. Some examples are: policies which attempt to reduce the number of teenage pregnancies; provision of support for parents of children aged under 5 in disadvantaged areas; attempts to raise basic standards of literacy and numeracy and tackle school truancy and exclusions.

Clearly, therefore, reducing poverty requires systemic change, for example in relation to taxes, benefits and education systems. It has been noted, however, that whilst such system changes are being made and implemented there is a need to invest in support to those in greatest need.

TAXES AND TRANSFERS

From the late 1990s the UK government initiated a move towards the use of tax credits to provide support that would previously have been delivered through the benefit system. Since 2003 two tax credits have come into operation: child tax credit and working tax credit. These are based on family

⁷ UNICEF Innocenti Research Centre – Report Card No. 6 Child Poverty in Rich Countries 2005. <u>http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=371</u>

⁸ 'Monitoring poverty and social exclusion 2007' by Guy Palmer, Tom MacInnes and Peter Kenway and published by the Joseph Rowntree Foundation p9

http://www.jrf.org.uk/bookshop/eBooks/2152-poverty-social-exclusion.pdf

⁹ Sutherland H (2001) "Reducing Child Poverty in Europe: What can Static Microsimulation Models tell us?" EUROMOD Working Paper No. EM5/01

http://www.econ.cam.ac.uk/dae/mu/publications/em501.pdf accessed October 2007

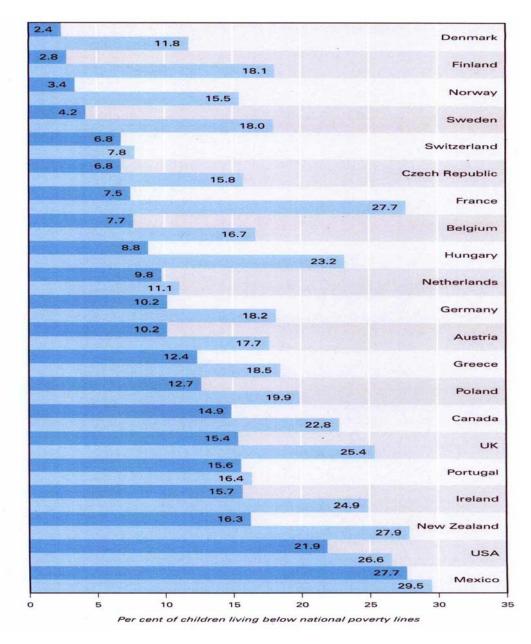
circumstances (apart from the married couple's allowance, the rest of the income tax system operates at the individual level) and both are refundable tax credits, meaning that a family's entitlement is payable even if it exceeds the family's tax liabilities. The impact of the government's welfare reforms over the period 1997 – 2001 it can be argued include:

- Fall in rate of poverty from 26.3 % to 17% about 1.2 million children cross the poverty line.
- Higher proportions of children in lone parent families removed from poverty than are children in two parent families. However, some children are in lone parent families that are worse off.
- In spite of a set of policies that target children, the post reform relative risk of poverty remains higher for children than in general: the child poverty rate is 17% compared with an all-person rate of 14.8%.¹⁰

Examining poverty levels before and after government support in terms of taxes and transfers underlines the importance of these to reducing child poverty.

Figure 3 The impact of taxes and transfers

¹⁰ As above



Source: UNICEF, 'Child Poverty in Rich Countries, 2005', Innocenti Report Card No. 6, UNICEF Innocenti Research Centre, 2005 Figure 9¹¹

The light blue bars in Figure 3 above show child poverty rates based on household incomes before government taxes and transfers while the dark blue bars show the rates after taxes and transfers. The poverty line in both cases is 50 per cent of median post-tax and transfer income.

Analysis shows, however, that the relationship between government spending and reduction in poverty rates is complex. For example, analysis of the relationship between government support for the specific purpose of improving family security¹² and poverty revealed that 10 countries out of the

¹¹ <u>http://www.unicef-irc.org/cgi-bin/unicef/Lunga.sql?ProductID=371</u>

¹² Family allowances, disability and sickness benefits, formal day care provision, unemployment insurance, employment promotion, and other forms of social assistance

26 examined devoted similar proportions of Gross Domestic Product (GDP) to social transfers (between 7 and 10 per cent) but within these countries child poverty rates that varied from 3.4 per cent in Norway to over 15 per cent in New Zealand and the United Kingdom. Commenting on this finding, the report noted that:

Plotting social expenditures against child poverty rates...cannot therefore be used as a simple means of calculating how much more social expenditure is required in order to reduce a country's child poverty rate to a given level. But it can and does demonstrate that the relationship between social expenditures and child poverty rates depends not only on the level of government support but on the manner of its dispensation and on the priorities governing its allocation. And some countries are clearly achieving more bang-per buck than others.¹³

In spite of the complexity surrounding the link between government support and poverty, a number of reports have highlighted the importance of support through non-means tested benefits. A House of Commons Work and Pensions Select Committee, report, for example stated that:

... it is notable that countries who deliver financial support for children predominantly via non-means-tested benefits, for example, Denmark, Norway and Luxembourg, have comparatively low levels of child poverty.¹⁴

A recent report published by the Joseph Rowntree Foundation also highlights the role of non-means-tested benefits in proposing models for combining existing tax and benefit policies to meet Government child poverty targets for 2010 and 2020 respectively¹⁵. The report advocates two mixed packages; one to meet the 2010 target for a reduction in child poverty, and the other for the decade between 2010 and 2020 when the target is for child poverty to be five per cent or less.

The key feature of the model presented in Table 1 is that it relies less on means testing and more on targeting the size of a family to ensure that money reaches more children in poverty. It uses 'progressive universalism' to give a certain level of benefits to people with particular needs, regardless of their income. Therefore larger families would gain through using Child Tax Credit rises in two ways:

• Raising the 'child element' relative to earnings would help families on low incomes;

¹³ UNICEF, 'Child Poverty in Rich Countries, 2005', *Innocenti Report Card No. 6*, UNICEF Innocenti Research Centre, 2005 p23

¹⁴ House of Commons Work and Pensions Select Committee, *Child Poverty in the UK*, Second Report, Session 2003-04, HC 85, The Stationery Office, 2004, para 203

¹⁵ To reduce child poverty levels by half by 2010 and to between 5% and 10% by 2020.

• Increasing the 'family element' for third and subsequent children would target larger families.

Targeting large families regardless of income reduces work disincentives and means that support for larger families will not fluctuate with their income.

Table 1: Policy package to m	neet 2010 target
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Recommendation	Cost to HM	Cost per	Number raised
	Treasury	child	out of poverty
Rise in child element of Child Tax Credit from £37 to £48.50; and of family element by £20 each for third and subsequent children	£4.3 bn	£4,300	1 million

Source: Hirsch; D. 'What will it take to end child poverty? (2006)¹⁶

Assuming that the model in Table 1 has been adopted to meet the 2010 target, Hirsch goes on to develop a model that should then be implemented from 2010 to 2020. He argues that it would not be effective to rely solely on tax credits and benefits; parents' incomes need to at least be maintained. Table 2 shows a model to address child poverty in the period from 2010 to the next target set for 2020.

Recommendation	Cost to HM Treasury	Cost per child	Number raised out of poverty
Extend indexation; uprates with earnings all benefits and tax credits for parents from 2010, and raises Working Tax Credit for couples	£12.1bn	£16,900	0.7m

Source: Hirsch; D. 'What will it take to end child poverty? (2006)

The model shown in Table 2 would increase tax credits and benefits for people with children in line with earnings and increase Working Tax Credits for couples. However this would only lower child poverty to 8%. To attain the 5% target would require key benefits and tax credits to rise faster than earnings. Therefore the marginal cost of getting the remaining 500,000 children out of poverty would be almost twice as high as for the previous 700,000; nearly four times as much per child as the previous million taken out of poverty before 2010.

The diminishing returns for this model lead the author of the report to conclude that tax and benefit models cannot be relied on solely to address

¹⁶ <u>http://www.jrf.org.uk/child-poverty/</u>

child poverty. A multi-faceted approach is required with a key long-term requirement to increase substantially the amount that parents earn from work. This has the double advantage of lifting families out of poverty while reducing the cost of the tax credit system and releasing resources for out of work benefits. Even with the poverty level below ten per cent, a third of poor children live in households with a single-earner.

PROMOTING PAID WORK AND INCREASING INCOMES

Although it is an important fact that considerable numbers of children in poverty live in *two parent* households, children in lone parent families make up 40% of all children living in poverty.¹⁷

The labour market position of lone parents in the UK has improved over the last ten years. The number of single parents claiming Income Support fell from 1 million in 1997 to 760,000 in 2005, a reduction of almost a quarter. The UK lone parent employment rate in 2006 was 56.5%. Since 1997 the rate has risen from 44.7% – a significant increase of 11.8 percentage points. Yet, government recognises that there is still more to be done in this area. Raising the employment rate of lone parent's yet further, is an important part of the government's strategy for reducing child poverty and government has set a target of 70% among single parents by 2010.

This next section of the paper looks at welfare to work programmes that apply to lone parents and seeks to identify those programmes which are successful in raising employment, incomes and child outcomes.

Evaluation of welfare to work schemes

Over the last two decades research has been carried out to evaluate programmes which aim to encourage those in receipt of welfare to move into employment. Much of this work has focussed on programmes in the US, and to a lesser extent in the UK. Recent research has striven to take an experimental or quasi experimental approach involving, for example, the use of 'control groups' to arrive at unbiased estimates of the effectiveness of the programmes. Research has been focussed primarily around the comparative effectiveness of two approaches:

- providing training and human capital development as a means of helping people move off benefit and into work – i.e. the "carrot" approach
- strategies which require welfare recipients to undergo job-search and work placement activities – and thus develop readiness for work – i.e. the "stick" approach

Welfare to work policies and schemes from North America are examined first. This is followed by an examination of welfare to work programmes operating in the UK.

¹⁷ <u>http://www.dwp.gov.uk/publications/dwp/2007/childpoverty/childpoverty.pdf</u>

North America

A recent report on Welfare to Work Policies and Child Poverty for the Joseph Rowntree Foundation¹⁸ (JRF) examined a range of North American welfare to work schemes: some small scale, others on a much larger, often State wide scale. The authors of the report wished to identify what works best in welfare provision, in particular those programmes which were successful in helping benefit claimants in their return to work and the effect the programmes had on employment, earnings and income.

Effect of Financial incentives

It was hypothesised that financial incentives would benefit long-term claimants and people who move into work but into low-income employment. The use of financial incentives was investigated in three US programmes and it was found that:

- Improving the financial gains to work raises employment. However, schemes which combine work incentives with additional support or conditions for required activities proved more successful.
- Programmes that do not use financial incentives as a major lever for return to work can raise employment, but those which emphasise entry to work out-perform those which emphasise skills/training/education.

Effect of Time limits

It was hypothesised that setting time limits will discourage claimants from developing a long term dependence on welfare assistance. Reliable evidence on the effect of setting time limits was felt to be of great importance by the researchers due to the inequality and poverty implications of withdrawing benefits. The North American schemes included in this study were the Florida's Family Transition Programme and Connecticut's Jobs First Programme. These studies found that:

- The effect of ending benefits did not of itself encourage people to enter employment.
- However a 'pre-time limit' effect was observed whereby claimants moved into work before the time limit was reached and the sanction imposed.
- The employment gains were, however, found to be of short duration with respect to the Florida Family Transition Programme.
- The study found little evidence that the use of time limits has long term effects on earnings.

Effect of Mandatory Job Search and activity based reform packages

It was hypothesised that these methods would get people back into work faster than they would otherwise do. It was also theorised that schemes which aim to improve employability would produce additional gains from holding people in work longer and that better wages would provide stronger incentives. It was anticipated that the gains

¹⁸ <u>http://www.jrf.org.uk/bookshop/eBooks/9781859355107.pdf</u>

would build. The study looked at 11 programmes and found that of these 10 had positive employment impacts:

- Schemes with a job search rather than an education and training focus had a greater effect on employment
- Schemes focussing on human capital development saw weak employment gains to begin with as a result of these interventions, but even these gains were not maintained compared to the control group.
- The control groups caught up with the programme groups (although the programme group employment rate did not decrease)
- The overall finding of the study was that human capital development is less successful at boosting employment in a five year period following intervention that other welfare reforms.

Effect of job retention and career development

In America, a special programme was developed which aimed to improve job retention and career advancement among lone parents. The Employment Retention and Advancement (ERA) plan encourages career advancement by providing help for lone parents with job search, basic education, short term training and support services such as childcare and transportation. ERA projects have been tried in both the US and UK but can vary in the different components and incentives which are used.

Schemes based on the ERA plan were studied in three locations in the US by the JRF researchers. They wanted to find out whether these schemes improved earnings and career advancement prospects for single parents and thus helped them to achieve economic stability and break the welfare dependency cycle. The schemes included in this study were:

- 1. The Riverside County, California
- 2. The Pee Dee Region, South Carolina
- 3. Corpus Christi, Texas
- 4. Fort Worth, Texas
- 5. Houston, Texas

The first study, at California, examined career advancement through education and training. The second, at South Carolina examined methods to improve outcomes through post-employment services. The remainder examined the effects of pre-employment services and post-employment services.

Findings

- Post employment services (provision of education and training) combined with a work requirement did not show either a positive or negative effect on career advancement
- Schemes which used post employment services (provision of 'case management' via a career consultant) plus some financial incentives had little effect on employment levels, earnings or employment stability.

- Schemes which used pre-employment services combined with post employment services that involved job placement, job retention and career advancement measures had an initial positive impact on the employment rate and earnings of participants although the impacts began to show a decline over time.
- These studies failed to provide a clear picture of what can help job retention and advancement among those entering work

United Kingdom

The New Deal programme is at the heart of labour market policy in the UK. It seeks to increase job search and employment among specific sections of the unemployed population, including younger people, the over 50s, lone parents, the disabled and the long-term unemployed.

*The New Deal for Lone Parents*¹⁹ (*NDLP*) started in 1999. This voluntary scheme offered lone parents assistance with job search, training or other work support. Work Focussed Interviews (WFIs) were introduced into the programme in 2001 and Review meetings in 2002. These were designed to ensure continued contact with the claimant. There was a mandatory aspect to the WFI provision with age of youngest child used to determine which claimants were invited to attend for interviews. If avoidance of interviews was continually repeated then sanctions could be applied.

The JRF report examined the impact of welfare reform in the UK and in particular the effectiveness of the New Deal for Lone Parents programme. Their findings were:

- The introduction of Work Focussed Interviews (WFI's) and review meetings and the widening of eligibility resulted in the numbers starting the New Deal Programme rising. The job entry ratio remained similar however.
- WFI's and review meetings for lone parents on Income support raised NDLP participation. There was no adverse effect on the participant's chances of moving into work.

The Employment Retention and Advancement (ERA) Programme²⁰

The ERA programme (based on the US model) is being run in experimental mode in the UK. It proposes to help those previously on long term benefits who have found work to remain in employment, to work longer hours and to undertake in-work training. Those on the programme receive:

- 2 years of job coaching to encourage job retention and improve pay and conditions
- Financial incentives to work longer hours and to undertake job-related training

¹⁹ <u>www.newdeal.gov.uk</u>

²⁰ <u>http://www.psi.org.uk/research/project.asp?project_id=134</u>

A recent independent evaluation of the first year of operation of the (ERA) programme found:

- Lone parents receiving Income Support increased their hours worked and earnings when they entered the ERA Programme
- The proportion of Lone parents receiving income support who took up new training while in work increased
- The ERA participants on NDLP earned £800 or 29% more in their first twelve months compared with the earnings of a control group.
- Few of the ERA participants compared with a control group returned to benefits.

In a recent press statement Professor Alan Marsh of the Policy studies Institute said:

ERA may become the next step in welfare-work-policy. If these results are sustained over the second year, we can be confident that ERA does encourage employment retention and advancement. If it can then be shown in the longer run that these results justify the cost of the programme, it may become a very significant anti-poverty measure. It would help the government meet their target to abolish child poverty, keep workers away from unemployment and benefits, and establish them instead as full-time workers with proper conditions. Both they and tax payers would gain.²¹

CHILDCARE

Childcare is central to ensuring that lone parents in particular can access the labour market. It is also central to the education and development of the child. A report published in May 2007 by *Eurochild*²² reviewed the national reports of 27 EU Member States on their strategies for social protection and social inclusion aimed at ending child poverty. The participants in the review provided a brief 'situation analysis' and described the policy responses to address child poverty in their country. One of the areas examined was childcare provision.

The report found consensus among the countries that the early years of the child's life are of great import. The correct interventions in terms of pre-school and child care services for children living in impoverished circumstances were felt to be of crucial importance for the child's chances later in life.

Welcoming the increasing emphasis on new policy measures in relation to child care provision in each of the Member States, the *Eurochild* report

²² Ending Child Poverty within the EU?: A review of the 2006-08 national reports on strategies for social protection and social inclusion. 2nd Edition http://www.eurochild.org/fileadmin/user_upload/files/NAPs_report_2006_final.pdf

²¹ 22 February 2007 <u>www.psi.org.uk/news/pressrelease.asp?news_item_id=198</u>

authors stressed that a high standard of all early-years care and education services is vital. They recommended that Member States prioritise the monitoring of the availability and quality of these services in their countries.

Member States placed a strong emphasis on encouraging women into the workplace. The need for higher skilled jobs accessible to women was stressed and many wished to see a greater level of attention being placed on gender equality in the workplace and on factors which would contribute to a better work/life balance. Reference was made to the Barcelona Council targets²³ on childcare as supporting these objectives.

Developing Childcare provision in EU Member States

The EU Member States taking part in the review reported on child care provision in their countries and in particular, child care for the children of working parents. The actions and targets of a number of EU countries are set out below.

Luxembourg

Luxembourg has a network of *"Maisons Relais pour enfants"* (MR Childcare Centres) which it aims to extend and improve. These facilities are open for long hours over a six day week and provide integrated services to support parents, activities for children and links between schools and families. In 2005 87 *"Maisons Relais pour enfants"* were in operation in Luxembourg. In addition there were 178 local or district branches and 8,000 places for children. Luxembourg stated that it is pursuing and intensifying its efforts to improve the supply of MR facilities. The main features of the MR concept are²⁴:

- extended and flexible opening times (between 06:00 and 20:00 from Monday to Saturday) to take account of the various problems faced by parents,
- participation in the life of the local communities hosting the MR, promoting the social, linguistic and cultural integration of children and families,
- close cooperation between families and schools paving the way for synergies,
- integration into a single facility of various mandatory and ancillary services such as:

- catering at midday and refreshments at other times

-supervision of recreational services and other socio-educational activities -supervision of school homework

-socio-educational support

-minding of children who are sick either in the MR facility or at home -social-educational, instructive or cultural activities for children and families -parental training sessions,

²³ The Barcelona agreement set targets of childcare provision for 90% of children 3-6 and 33% of those under 3 by 2010.

²⁴ See page 76 of the *Eurochild* report <u>http://www.eurochild.org/fileadmin/user_upload/files/NAPs_report_2006_final.pdf</u>

- slimmed-down administrative procedures for approval and the possibility of outsourcing some services to external providers,
- a twofold aim of help for families and support for employment.

<u>Austria</u>

Austria has seen the numbers of children receiving pre-school day care increase by 70% over the last five years. There has been a focus on the extension of care centres for children with the aim of improving the framework for reconciling work and family life. Austria has been piloting innovative schemes, for example, flexible care hours, inter-age and inter-community care and inter-generational forms of care.

Germany

New legislation in Germany (the Day Care Expansion Act, 2005) has allowed for the provision of expanded childcare and all day education for children under three. It is anticipated 23,000 additional places for this age group will be available by 2010.

Ireland

An extra 50,000 childcare places will be funded through Ireland's National Childcare Investment Programme, 2006-2010. In addition, the State introduced an Early Childcare Supplement of \in 1000 per child per annum from September 2006. This is targeted at pre-school children up to the age of 6 and is specifically provided to assist parents with child care costs.

Poland

Poland is seeking to make improvements to social security for employees after childbirth. Proposed changes to legislation will allow for:

- an option to flexibly use the period of childbirth and childcare leave;
- a gradual increase in the income criterion to allow additional benefit during the childcare leave;
- the possibility of alternative financing of childbirth benefits or family costs of childcare.

MEASURES TO TACKLE LONG TERM DISADVANTAGE

Key to breaking the cycle of poverty are measures taken to address long term disadvantage which results from educational and health inequalities.

EDUCATION

Whilst there is a strong correlation between poverty and educational attainment, the relationship appears to be complex. International comparisons summarising the relationship between educational attainment and disadvantage shows that:²⁵

- educational performance in some countries is consistently better than in others – whether measured by the percentage of students reaching fixed benchmarks of achievement (absolute attainment) or by the size of the gap between low-achieving and average students (relative disadvantage).
- variation between schools in educational performance is much higher in some countries than in others.
- there is no simple relationship between the level of educational disadvantage in a country and educational spending per pupil, pupil: teacher ratios, or degree of income inequality.
- In all countries, educational achievement remains strongly related to the occupations, education and economic status of the student's parents, though the strength of that relationship varies from country to country.

The 2002 UNICEF report which provided the evidence to support these conclusions set out league tables on a number of factors relating to educational disadvantage in rich nations. The report concluded that:

In sum, the 'big picture' shows that some OECD countries are consistently performing better than others when it comes to educating and equipping their young people for life in the 21st century – whether measured by the percentage of students reaching fixed benchmarks of competence or by the gaps that are permitted to open up between low achieving and average students.

Combining the results of recent cross-national research, it can be said, for example, that a child now at school in Finland, Canada or Korea has a significantly higher chance of being educated to a reasonable standard, and a significantly lower chance of falling well behind the average educational level for his or her age, than a child born in Hungary, Denmark, Greece, the United States or Germany. Current knowledge does not point a precise finger at the factors or policies which account for these differences in educational outcomes. But one clear finding is that differences in educational achievement within nations are very much greater than differences between nations. Different national policies and

²⁵ http://www.pcpoh.bham.ac.uk/publichealth/publications/key_health_data/2004/ch_02.htm

systems may promote or mitigate disadvantage in ways that are not fully understood, but they are clearly not the mainspring of that disadvantage.²⁶

In this context it is worth noting that:²⁷

- In the UK the association between social class and educational attainment is much stronger and the tail of under-achievement longer than in other developed nations. Inequality in learning achievement begins at an early age and attempts to mitigate educational disadvantage need to begin even before a child starts school through good quality early childhood care and education
- There is considerable variation in educational attainment between schools with a similar proportion of disadvantaged children attending (as measured by Free School Meal Entitlement). Educational attainment depends on both the quality of education provided by a school and child/family characteristics such as socio-economic circumstances.

The UNICEF report, whilst recognising the difficulties in establishing the factors or policies which account for these differences in educational outcomes does, however, highlight the role of the child's home and of early childhood education and care (ECEC) in determining education outcome. The report states that:

...it is clear that the social, economic and cultural status of the child's home is the most powerful influence on the likelihood of educational success, much recent research has focused on that relationship and on the possibilities for weakening the processes by which disadvantage is reproduced from one generation to the next. And perhaps the most significant of the insights gained in recent decades has been the realisation that such disadvantage becomes established, and measurable, at a much earlier age than was previously suspected.²⁸

The UNICEF report identifies the US Head Start programme, which dates back to the 1960s and the United Kingdom's Sure Start programme, which was launched in 1998/9, as examples of ECEC programmes designed to tackle educational disadvantage. In relation to Head Start, the report concludes that *Overall, the consensus of current opinion seems to be that the programme has* achieved much whilst not delivering the kind of measurable clear-cut successes that had initially been hoped for'.²⁹

²⁶ UNICEF (2002) A league table of educational disadvantage in rich nations' Innocenti Report Card No.4. Florence: Innocenti Research Centre. Available from: <u>http://www.unicef-icdc.org</u>. p18-19

²⁷ <u>http://www.pcpoh.bham.ac.uk/publichealth/publications/key_health_data/2004/ch_02.htm</u>

²⁸ UNICEF (2002) A league table of educational disadvantage in rich nations' Innocenti Report Card No.4. Florence: Innocenti Research Centre. Available from: <u>http://www.unicef-icdc.org</u> p22-23

⁹ As above p25

A comprehensive evaluation of the Sure Start programme is being carried out on behalf of Department for Children, Schools and Families by the Institute for the Study of Children, Families and Social Issues, Birkbeck, University of London. A report published as part of the programme of evaluation concluded in relation to Sure Start Local Programmes (SSLP) that:

...only limited evidence of SSLP impact was detected and that which emerged was often limited to specific sub-populations. Some of the detected effects of SSLPs can be regarded as beneficial whereas other effects were developmentally adverse. In all cases, the size of these limited effects, whether developmentally beneficial or adverse, was small.³⁰

The UNICEF report underlined quality as the key to successful ECEC interventions

In sum, the evidence to date suggests that the potential of ECEC can only be liberated by quality ECEC. And as the OECD's cross-national review concludes, 'quality' implies a well-informed and clear vision of purpose and aims, strong partnerships with both families and primary school systems, well thought out access policies to enable all children at risk to participate, high standards of staffing, motivation, and in-service training, and a built-in, long-term agenda for research and evaluation.³¹

HEALTH

Poverty and ill health are strongly correlated and three basic strategies to reduce childhood health inequalities can be identified:³²

- 1. Reduction of socioeconomic inequalities by 'levelling up' living standards
- 2. Interventions aimed at improving the health of all children;
- 3. Interventions aimed specifically at improving the health of children in lower socioeconomic groups.

A Life Course Approach

WHO propose a life course approach for interventions to tackle child ill health and health inequalities and the following information on this approach is

³⁰ National Evaluation of Sure Start Research Report NESS/2005/FR/013 Early Impacts of Sure Start Local Programmes on Children and Families Report of the Cross-sectional Study of 9-and 36-Month Old Children and their Families <u>http://www.surestart.gov.uk/_doc/P0001867.pdf</u>

³¹ UNICEF (2002) A league table of educational disadvantage in rich nations' Innocenti Report Card No.4. Florence: Innocenti Research Centre. p27

³² Mielck, A. et. al. Children, an important target group for the reduction of socioeconomic inequalities in health, Ch. 9 in Mackenbach, J. and Bakker, M., Reducing Inequalities in Health – A European Perspective, Routledge, London and New York (2002)

extracted and summarised from the *European* strategy for child and adolescent health and development (2005)³³.

Life course research to date suggests that, to a differing extent across health outcomes, inequality develops as a result of various socially patterned exposures and behaviours starting in early life. Improving social inequalities in adult health requires a range of targeted intervention strategies for infants, children, adolescents and adults, e.g. targeting interventions at young girls and women may improve not only their own health but that of their offspring³⁴.

The WHO *European strategy for child and adolescent health and development states that policies, programmes and health systems should be in place to work towards targets relating to:*

- Before and around the time of birth
- o The first year of life
- Early childhood: getting ready to enter school
- Late childhood: healthy development in the approach to puberty
- Adolescence: a healthy adolescent prepared to enter adulthood

EU Project – Closing the Gap

Closing the Gap is a three year (2004-2007) initiative based on a partnership of 21 national public health agencies and institutes from across Europe that are working together to develop a shared understanding of health inequalities and to determine how to reduce them. A task of the initiative was to highlight the role that the EU can play in reducing health inequalities at the national or local level. The output from the initiative contained, amongst other things, a report comparing approaches in different jurisdictions and a database of projects which might provide examples and learning for others. The comparative report concluded that:

EU institutions, member states, regional and local governments and relevant stakeholders, including non governmental organisations, should act upon this learning by implementing priority strategies and measures within their separate and joint powers on the following basis:³⁵

1. Improve visibility and gather data

Political and societal commitment is imperative to tackle health inequalities and can only be achieved if the problem becomes more visible to politicians and the public, for example by presenting strong data and evidence from independent sources.

2. Ensure equal uptake of prevention and health promotion measures

³³ WHO Europe, pages 6-12

³⁴ Ibid, Ch2, pg 48

³⁵ Costings C et al (2007) Closing the Gap: Strategies for Action to Tackle Health Inequalities. pp36-40

http://www.health inequalities.eu/?uid=d5d5f0091dfeccc2fae218961e9a846a&id=Seite2113

An important place to start raising awareness on health inequalities is within the health sector itself. This would entail the provision of equal access to quality health care services (which some countries are actively looking at), but also raising awareness among health professionals about the need to make their public health interventions equity sensitive, so that they effectively reach different socio-economic groups and generate change.

3. Involve key actors and encourage partnerships across policy areas

Health inequality is a multi factorial and complex issue; we need many partnerships across different levels and sectors and to work collaboratively to reduce them.

The health sector (i.e. decision makers and professionals at national, regional and local level) has a crucial leadership role to play in involving other relevant actors. Other sectors often develop policies or strategies that are directly or indirectly relevant to reducing health inequalities. It is therefore the task of the health field to identify these policies and strategies, to liaise with the responsible actors and to argue for and ensure a health equity dimension. The support and commitment of senior management within the health sector is critical in order to make this intersectoral process of reducing health inequalities a success.

4. Establish health-equity targets, also across sectors

While most European countries have general health policies that state that inequities in health shall be reduced, there are still very few examples of quantified equity targets that are backed by specific strategies, financial resources and performance management or monitoring systems.

5. Apply equity-sensitive Health Impact Assessments

A number of countries refer to the importance of Health Impact Assessments (HIA). HIA could be a useful tool to investigate and effectively advocate for health equity during a particularly defined policy process in a timely fashion. HIA does not need to be a complicated process, and while it may require some initial investments, it could eventually be cost neutral and could perhaps even save money. It is important though to ensure that health impact assessments take a health equity focus. In addition, there should be a real readiness and possibility to change policy according to the HIA outcomes.

6. Develop capacities for implementation

In several countries, there is still a gap between policy statements and what is happening in practice. This is partly due to the fact that there is insufficient capacity in place to implement those policies. Indeed, adequate financial resources, organisations, services and well-trained people at national, regional and local level are essential to ensure the development, implementation, evaluation and follow up of actions.

7. Support the local level and encourage local 'upstream' policies

The regional and local level is critical to the development and implementation of strategies that address the health gap. In several EU countries local governments

even have the formal responsibility and the mandate to reduce health inequalities.

8. Prioritise sustainable actions that address the gradient

Actions should involve a mix of up- and downstream measures; universal population approaches as well as additional targeted actions to disadvantaged groups, ideally linked to social inclusion and anti-poverty strategies. Those actions should be prioritised that :

1. generate the greatest levels of inequalities (urgency);

2. lead to the greatest immediate health gains possible (notably amongst the more disadvantaged groups);

3. change the slope of the health gradient by addressing differences in health determinants across all socio-economic layers;

4. take a gender and life-course perspective, and in particular focus on children and adolescents.

5. are most cost-effective.

Specific actions that have proved effective in reaching and promoting the health of the lower socio-economic groups include the use of outreach workers and home visitors, intercultural mediators, self help groups, training and other low barrier approaches that engage and empower people. Several countries stressed the importance of equal opportunities during childhood and early interventions.

A common difficulty faced by many initiatives is that they are often based on shortterm funding which endangers long-term impacts on the lives of the people involved. Local, regional and national governments should explore opportunities to scale up those actions that have the biggest impact on the lower socio-economic groups. Sustainability of actions is critical if they are to have a lasting impact. This does not happen by itself, but requires careful planning.

9. Strengthen the evidence base and get it into practice

Too often policies and strategies are not being sufficiently monitored or evaluated in the different European countries. It is therefore important to ensure that policies and programmes that can contribute to a reduction of health inequalities are evaluated.

10. Incorporate and build on EU processes

Initiatives taking place at the level of the European Union (EU) can reinforce national and regional level efforts. It is therefore important to establish parallels between EU level and EU Member State activities.

In addition to these recommendations the report noted however that it is at local level where measures to address health inequalities take direct effect. On the *Closing the Gap* website a full European Directory of Good Practices³⁶ to reduce health inequalities can be found and comprehensively searched by target population, target age etc. These exemplar practices have been

³⁶ www.health-inequalities.eu

collected based on a set of quality elements, developed and discussed for the area of tackling health inequalities and all exhibit specific selection criteria.

The following list with a brief outline of each, are samples of those in the directory that specifically target general and socioeconomic related health inequalities in children.

<u>Springboard Family Support ³⁷(Ireland)</u>

This is an initiative of family support projects targeting vulnerable families which aims to improve the wellbeing of children and parents e.g. individual counselling work; group activities such as breakfast clubs, coffee mornings, homework clubs; family counselling/therapy; and drop-in facilities.

Manchester Family Link Worker Scheme³⁸ (England)

The family link workers work in partnership with other agencies including schools, nurseries, social workers, health visitors etc. and it demonstrates how multi-agency working can tackle health inequalities and support families with young children and a variety of needs.

Project Jiwsi 39 (Wales)

A project delivering sex and relationship education programmes to groups of vulnerable young people (aged between 11 and 25) in community settings throughout North Wales.

Poverty and Health of Children 40 (Netherlands)

The main aim is to tackle health inequalities with respect to children by influencing the state of poverty. Parents and children are asked during a preventative medical about the relation between the lack of money and items which influence their health e.g. because of lack of money the child cannot attend a sports club. A team from the municipal health service tries to help the family in several ways e.g. a small amount of money for swimming lessons.

Equal Health, Equal Opportunities⁴¹ (Netherlands)

A health promotion community project in a deprived neighbourhood in Tilburg, The Netherlands. It includes activities such as district health day, walking club, children's cooking café, breakfast meetings, lunch topic meetings, exercise week.

Supervision by the Youth Practitioner of Pupils with Absence because of Illness⁴² (Netherlands)

Pupils not attending school because of illness (based on certain non-attendance criteria) are reported to the youth physician, who meets with parents and pupils, gives advice, liaises with the school and social services etc.

The Pine House 43 (Norway)

- ³⁷<u>http://omc.gov.ie/docs/Family_Support/viewdoc.asp?fn=/documents/Publications/Final_Evaluation_Report_of_the_Teen_Parents_Support_Initiative.pdf</u>
- ³⁸ http://www.swpho.nhs.uk/resource/item.aspx?RID=33105

inequalities.org/?uid=50e9748ecac2c4bfdbfa86453755d226&id=search1&land=14&idx=60 ⁴² http://www.health-

inequalities.org/?uid=50e9748ecac2c4bfdbfa86453755d226&id=search1&land=14&idx=101

 ³⁹ <u>http://www.fpa.org.uk/community/youngpeople/detail.cfm?contentid=63</u>
 ⁴⁰ <u>http://www.health-</u>

inequalities.org/?uid=50e9748ecac2c4bfdbfa86453755d226&id=search1&land=14&idx=138
⁴¹ http://www.health-

Set in an area of Oslo with high immigrant population - prenatal maternity care, community care for children aged 0-6 years and an open kindergarten where children and adults can meet other people. Activities are based on the wishes of the community it serves.

Smoke-free Children 44 (Sweden)

Since 1997 child health nurses in Sweden have used a new non-judgemental method for discussing smoking with parents. The method focuses on the child's environment and not the parent's smoking per se. The parents are requested to smoke without exposing their infants to smoke. Although not primarily targeted, parent's smoking has decreased faster than the general population of the same age group.

<u>Reduction of Social Inequalities in Child Accidental Injuries through Environmental</u> <u>Measures</u>⁴⁵(Sweden)

The introduction of environmental measures to improve child safety e.g. new building laws passed to have certain safety features in new homes. The preventative efforts were initiated by the Swedish Red Cross and Swedish 'Save the Children'.

I go to the U And You? 46 (Germany)

Relate to the early detection measures U1-U9 of the legal health insurance in Germany. They serve to evaluate physical and psychological development. This intervention is to increase participation in these measures in the 3-5 year old age group, especially in low social or migrant groups and involves a Kindergarten group contest with posters and fliers. Children receive incentives of t-shirts and photos of their kindergarten wearing their t-shirts and are entered into group competitions.

<u>Guardian Angel</u> 47 (Germany)

This is a model project offering support for families with small children in a disadvantaged neighbourhood of Flensburg (Northern Germany), by a family midwife, social worker and parent's café. Guardian aims to intervene with help in problems as early as possible. The area of the city has a high proportion of young and single parent families living on state benefits.

<u>Healthy Parenthood</u> <u>48</u>(Czech Republic)

Educational activities are focused on the improvement of responsible sexual behaviour in young people (including Romany, an ethnic minority). The two main intervention activities are education and health care services.

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inequalities.org/?uid=50e9748ecac2c4bfdbfa86453755d226&id=search1&land=7&idx=53 ⁴⁸ http://www.health-

⁴³ <u>http://www.swpho.nhs.uk/resource/item.aspx?RID=33245</u>

⁴⁴ http://www.health-

inequalities.org/?uid=50e9748ecac2c4bfdbfa86453755d226&id=search1&land=20&idx=56 ⁴⁵ http://www.health-

inequalities.org/?uid=50e9748ecac2c4bfdbfa86453755d226&id=search1&land=20&idx=84 ⁴⁶ http://www.health-

inequalities.org/?uid=50e9748ecac2c4bfdbfa86453755d226&id=search1&land=7&idx=105 ⁴⁷ http://www.health-

inequalities.org/?uid=40051a59fc3f877ac2abda9c6959ff03&id=search1&land=1&idx=103